GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:2941
ANSWERED ON:11.03.2003
ROYALTY RATES OF MINERALS
TRILOCHAN KANUNGO

Will the Minister of MINES be pleased to state:

(a) the royalty fixed for each of the minerals per tonne and on ad valorem basis;

(b) the amount of royalty on minerals received by each of the producing States during each of last three years;

(c) the latest ROM price per tonne of each of the minerals;

(d) whether the Government have received complaints from State Governments regarding fixation of royalty on different minerals including coal improperly;

(e) if so, the details thereof, State-wise;

(f) the steps taken by the Government to address their problems;

(g) whether the Government propose to return the power of revision of royalty rates of mineral to respective States;

(h) if so, the details thereof; and

(i) if not, reasons therefor?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI RAMESH BAIS)

(a) Royalty rates for major minerals (minerals other than minor minerals defined under section 3(e) of the Mines and Minerals (Development and Regulation) Act, 1957(MMDR) Act) arenotified by the Central Government under Section 9(3) ofthe MMDR Act. Rates of royalty are fixed on tonnage or ad valorem basis. Royalty rates for major minerals(other than coal & lignite and sand for stowing) under MMDR Act were last notified vide Gazette Notification, GSR 713(E) dated12.9.2000 and can not be enhanced before 11.9.2003. Royalty rates for Coal and Lignite were last revised vide Gazette Notification GSR 572(E) dated 16.8.2002 and GSR 187(E) dated 15.3.2001 respectively. Copies of these notification were laid on the Table of the Lok Sabha on 27.11.2000, 3.12.2002 and 24.4.2001 respectively. Royalty rates for minor minerals defined under Section 3(e) of the MMDR Act are fixed by respective State Governments under their Minor Minerals Concession Rules(MMCR).

(b) The royalty rates for major minerals(other than fuel minerals) are fixed and notified by the Central Governmentbut the accruals on account of royalty are collected by respective State Governments for which figures are not centrally maintained.

(c) ROM priceper tonne for non-fuel minerals are not centrally maintained. Ministry of Coal has intimated that the net price per tonne(ex plant Neyveli) of lignite is Rs. 900.64 per tonne. The ROM price per tonne of various grades of Coal is given at Annexure.

(d) to (f) From time to time representations including from State Governmentare received by the Central Government for change in royalty rates for major minerals. Conventionally, a Study Group is constituted by the Ministry concerned to review the rates of royalty on major minerals having representatives of State Governments, Industry, technical institutions and other concerned Central Ministries/Departments. The Study Group makes its recommendationsafter holding broad based consultations with all stake holders. Rates of royalty are decided on the basis of the recommendations of the Study Group.

(g) to (i) Royalty rates for minor minerals are determined and notified bythe respective State Governments under their respective MMCR. Royalty rates formajor minerals are determined and notified by the Central Government to maintain uniformity inrates of royalty all over the country for these minerals. No proposal to change this system of fixing royalty rate for major minerals is under consideration of the Government.

Annexure referred to in reply to Lok Sabha Unstarred Q. No. 2941 for 11.3.2003 regarding royalty rates of minerals.

COAL INDIA LTD.(CIL) (ROM Coal Price in August, 2002)
Non coking coal: Coal produced
in specified collieries

Raniganj (Grade wise)

A	1450
B	1370
C	1170
D	950
E	574
F	440
G	320

Coal produced in specified collieries
NON LONG FLAME COAL

A	1177
B	1059
C	870
D	694
E	524
F	417
G	298

Coal produced in specified collieries
SP Mines

A	1628
B	1447
C	1211
D	974
E	630
F	502
G	358

Coal produced in specified collieries

MUGMA: Non Long Flame Coal

A	1345
B	1197
C	1000
D	804
E	591
F	476
G	327

EASTERN COAL FIELDS LTD.
NON COKING COAL in specified collieries
RAJMAHAL FIELD LONG FLAME COAL

D	915

NON LONG FLAME COAL

E	703
F	597
G	479

COKING COAL

Washery Grade I	1575
Washery Grade II	1305
Washery Grade III	964
Washery Grade IV	896

SEMI COKING & WEAKLY COKING COAL RANIGANJ:-

Semi Coking Grade I	1420

Semi Coking Grade II 1180
BHARAT COKING COAL LIMITED
NON COKING COAL

A 1135
B 1030
C 847
D 710
E 562
F 448
G 321

COKING COAL
Coal produced in specified collieries

Steel Grade I 1970
Steel Grade II 1650
Washery Grade I 1440
Washery Grade II 1200
Washery Grade III 900
Washery Grade IV 830
Washery Grade I 1337
Washery Grade II 1107
Washery Grade III 819
Washery Grade IV 762

CENTRAL COALFIELDS LTD.
NON COKING COAL

Coal produced in specified collieries

A 1330
B 1203
C 1006
D 857
E 609
F 487
G 348
Coal produced in specified collieries

A 1248
B 1129
C 944
D 804

NON LONG FLAME COAL

A 1166
B 1049
C 862
D 721
E 565
F 453
G 323
COKING COAL

Washery Grade I 1351
Washery Grade II 1120
Washery Grade III 828
Washery Grade IV 771
MAHANADI COALFIELDS LIMITED
NON COKING COAL

LONG FLAME COAL

A	979
B	885
C	740
D	633

NON LONG FLAME COAL

A	912
B	819
C	674
D	566
E	445
F	351
G	250

WESTERN COALFIELDS LTD.
NON COKING COAL

A	1148
B	1083
C	1012
D	956
E	743
F	620
G	467

COKING COAL

Washery Grade II	970
Washery Grade III	880

SOUTH EASTERN COALFIELDS LTD.
NON COKING COAL
COAL PRODUCED IN SPECIFIED COLLERIES

A	1110
B	1040
C	890
D	770
E	545
F	415
G	300

LONG FLAME COAL

A	1000
B	940
C	810
D	700

NON LONG FLAME COAL

A	940
B	880
C	750
D	630
E	520

F 410
G 300
SEMI COKING AND WEAKLY COKING COAL

SEMI COKING GRADE I 1200
SEMI COKING GRADE II 1000
NORTHERN COALFIELDS LTD.
NON COKING COAL
LONG FLAME COAL

A 1147
B 1039
C 867
D 740
NON LONG FLAME COAL

A 1072
B 964
C 792
D 664
E 527
F 420
G 300
NORTH EASTERN COALFIELDS
GRADE OF COAL AND UHV RANGE

(K.CAL/KG)

A 6200 - 6299 1148
B 5600 - 6199 778